

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.





Letter No. 2316

CURRENT SOURCE RECORDS

June 11, 1987

**SOVIET CROP
ESTIMATE**

The estimate of the 1987 Soviet grain crop remains unchanged at 195 million tons this month, according to the U.S. Department of Agriculture. However, due to the lateness of spring this year, the total grain area estimate was reduced by 1 million 300 thousand hectares (2 million, 450 acres) to 115 million (288 million acres), the lowest since 1959. Reductions in corn and spring barley area account for this decline. The yield estimates for spring wheat and spring barley were increased.

**SOVIET PURCHASES
FOR 1987/88**

Despite the recent USSR purchases of U.S. grain, Soviet grain buying activity has been relatively slow to develop for the 1987/88 marketing year, according to the U.S. Department of Agriculture. Purchases to date are thought to total only around 3 million tons against a total import estimate of 36 million. The U.S. and Canada are believed to account for the bulk of the early sales. The U.S. has already sold 2 million 500 thousand tons of wheat for July-forward delivery. Recent reports indicate Canada and the USSR will soon be meeting to discuss purchases for 1987/88. Total USSR grain imports in 1987/88 are expected to be comprised of 21 million tons of wheat, 14 million coarse grains and 1 million miscellaneous grains.

**WORLD WHEAT
PRODUCTION EST.**

The projected world wheat production for 1987/88 was raised 3 million tons, according to the U.S. Department of Agriculture, led by increases in the European Community, Canada and the U.S. With favorable growing conditions except for Spain, the EC's wheat crop is expected to be second only to the 1984/85 record. The U.S. winter wheat crop forecast was raised 28 million bushels because of higher expected yields. Projected U.S. stocks for 1987/88 were increased to reflect the larger winter wheat crop.

**U.S. EXPORTS TO
S.E. ASIA TO
INCREASE**

During fiscal 1987, U.S. agricultural exports to Southeast Asia are forecast by the U.S. Department of Agriculture to increase 8 percent from a year earlier to around \$800 million. The gain is mainly due to a strong rebound in cotton sales. Lower U.S. prices coupled with weak, but improving Southeast Asian economies are expected to raise the import volume. About 25 percent of the sales will be wheat and wheat products, followed by cotton, 19 percent; tobacco, 12 percent; and oilseeds and products, 11 percent. The U.S. is expected to provide 12 percent of the region's \$6 billion 300 million in agricultural imports.

USSR PURCHASES
U.S. WHEAT

USSR purchases of U.S. grain during the fourth year of the U.S. - USSR Long Term Grain Agreement have risen to over 8 million tons, including 4 million tons each wheat and corn. The agreement requires that the USSR purchase 9 million tons of U.S. grain annually of which a minimum 4 million must be wheat and 4 million corn. The remaining one million can be either wheat, corn or soybeans or soybean meal with each ton of soybean/soybean meal counting as two tons towards the agreement minimums. During May, USSR grain buyers purchased 4 million tons of U.S. wheat for delivery during the June-Aug. 1987 period. The selling price for this wheat, under the Export Enhancement Program, was \$80 per ton, with an average subsidy to sellers of \$41.96 per ton.

WORLD OILSEEDS
PRODUCTION

The projected world oilseed production for 1987/88 remains at 199 million tons, about 1 percent above the 1986/87 estimate of 196 million 800 thousand tons, according to the U.S. Department of Agriculture. The Soviet soybean meal imports for 1986/87 are forecast at 1 million 500 thousand tons, that's 500 thousand tons above last month's estimate, mainly because of expected additional imports from Argentina. The European Community's domestic use and imports for 1986/87 were raised nearly 1 million tons based on updated statistics and reports from EC sources. Upward revisions were also made for China's exports of soybean meal to Asian destinations and the EC.

DIVERSION
PAYMENTS FOR
FEED GRAIN
PRODUCERS

Approximately \$800 million in diversion payments due eligible feed grain producers for their 1987 diverted acres will be paid in generic commodity certificates, according to the U.S. Department of Agriculture. This will bring total diversion payments to about \$1 billion 600 million. A generic commodity certificate may be exchanged for designated commodities in the Commodity Credit Corporation inventory. The CCC determines the values of the commodities involved at the time of the exchange. The deadline for certifying 1987 planted acreage varies from state to state. Feed grain producers should contact their local ASCS offices for more information.

U.S. WHEAT
PRODUCTION

The U.S. winter wheat production is forecast by the U.S. Department of Agriculture at 1 billion 580 million bushels, 4 percent more than in 1986. Yields are placed at 40.6 bushels per acre, second highest of record. The 90 percent confidence interval for this production forecast is 1 billion 420 million to 1 billion 730 million bushels.

JAPAN - BIG
MARKET FOR
CHICKEN PARTS

The largest chicken parts market for the U.S. is Japan, importing 67,000 tons last year, with a value of \$75 million, according to the U.S. Department of Agriculture. Japanese trade sources expect total imports to rise to 200,000 tons this year, with imports from the U.S. to increase to 75,000 tons.

DAIRY TERMINATION
PROGRAM

An estimated 6,200 head of dairy cattle were slaughtered in federally-inspected plants during the week ending May 23 as a result of the Dairy Termination Program, according to the U.S. Department of Agriculture. The cumulative total of cattle slaughtered under the program from April 1, 1986, through May 23, 1987, is an estimated 1,096,200 head.

FROM OUR
TELEVISION
SERVICE

OUTLOOK FOR SOUTHEAST ASIA...The improving economies in Southeast Asia are expected to be reflected in larger U.S. agricultural exports to the region. USDA economist Albert Evans examines the situation and outlook for Southeast Asia. Vic Powell interviews. (211)

SCREWWORM ERADICATION PROGRAM...The U.S. Department of Agriculture has just completed a six-week screwworm control program in Albuquerque, NM. Gene Longwith with USDA's Animal and Plant Health Inspection Service focuses on the success of this program. Marlene Stinson interviews. (212)

EXPORTS AND THE U.S. DOLLAR...The value of the U.S. dollar has declined in recent years, but there's evidence that U.S. exporters can benefit from the lower dollar. Michael Dwyer with USDA's Foreign Agricultural Service describes how exporters can reap the fullest benefits from the dollar's decline. DeBoria Janifer interviews. (213)

NASDA FOOD EXPOSITION...The largest food show in the United States was recently held in Seattle, WA, to help generate millions of dollars in export sales for U.S. agriculture. Jerry Shapiro of Petroskey Bagels and Linda Harvey of St. Mary's Gourmet Products discuss the importance of this event. DeBoria Janifer interviews. (214)

EVALUATION OF EROSION POTENTIAL...John van Es, University of Illinois, talks about the importance of accurately evaluating erosion potential and residue cover when selecting a conservation plan under the Conservation Reserve Program Gary Beaumont interviews. (215)

FROM OUR RADIO
SERVICE

AGRICULTURE USA #1567...(Weekly 13½ min documentary) How does the U.S. Department of Agriculture in Washington, D.C., get its information on world crop production? How can its experts make very accurate predictions of production, even among countries who try to keep agriculture information a secret? Doug Wakefield explores the seldom seen world of international agricultural intelligence on this AGRICULTURE USA.

AGRITAPE/FARM PROGRAM REPORT #1556...(Weekly reel of news features) USDA news highlights; Conservation Reserve update; "Rockfish" farms; Latest export outlook.

CONSUMER TIME #1048...(Weekly reel of 2½-3 min features) A powered household wonder; Home brewing an insecticide; Dietary starch and fiber--how much?; Strawberry groundcovers; Roach control.

USDA RADIO NEWS SERVICE...Wed, June 17, Agricultural outlook report; Thurs, June 18, Tobacco outlook; Fri, June 19, Catfish production, Red meat production; Mon, June 22, World ag. outlook; Tues, June 23, Crop and weather update; Wed, June 24, Poultry production; Thurs, June 25, China's ag. outlook, World tobacco situation.

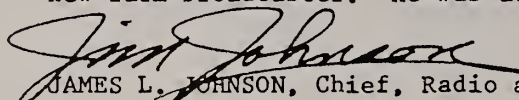
OFF MIKE

The Northcentral regional NAFB meeting in the Minneapolis/St. Paul area was a huge success from all accounts, thanks largely to the efforts of program chairman, Lynn Ketelsen (Linder Farm Net, Willmar, MN). Eric Parsons (USDA/ASCS Radio-TV) attended and said 214 others were there, too. Mike Hansen (WOW, Omaha, NE) was elected the new regional vice president. NAFB vice president Mark Vail (Kansas Ag Net, Topeka, KS) also called about the meeting and reported next year's NC regional meeting will be at Lake Okoboje, Iowa. (You'll never know the fun we had finding that on our handy, dandy atlas.) Mark also reported he has a new co-worker. He's one of last year's NAFB scholarship winners, Karl Fruendt. Karl graduated this spring from Oklahoma State and is scheduled to begin at Kansas Ag Net on June 15 ... Welcome visitor in town: Arnold Hartigan, public affairs officer for the Boise Interagency Fire Center, Boise, Idaho. Arnold used to be with us in USDA radio ... As you may

Farm Broadcasters Letter
Radio and Television, Rm. 410-A
Office of Information, OGPA
U.S. Department of Agriculture
Washington, D.C. 20250

OFFICIAL BUSINESS
Penalty for Private Use, \$300

have heard by now, John Ochs, press secretary for former Sec'y of Ag John Block, is moving back into agriculture. His new duties will be heading up the public affairs and press section of Ford's agricultural subsidiary, Ford New Holland. He says he'll end up in New Holland, PA, when the corporate headquarters moves there Sept. 1. We'll pass on his phone number when he gets settled ... What a beautiful newsletter! That was our reaction when we saw the full color "The Capcom" newsletter of Capitol Broadcasting Company that Dix Harper sent us. As you know, Dix is with WRAL-TV and the Tobacco Net in Raleigh, NC. The newsletter contained 10 full-color photos of WRAL-TV's grounds. As Dix said, "We've really got a nice place to work." We couldn't agree more ... Donna Schmidt has left KXRB/KIOV, Sioux Falls, SD, and now is the broadcast specialist for the National Livestock and Meat Board. Rich Garvin is the station's new farm broadcaster. He was at WJAG, Norfolk, NE.


JAMES L. JOHNSON, Chief, Radio and Television Division